

Formulary Management Procedures

The Prevea360 Health Plan drug formulary is reviewed every month. With the approval of newer generic options, changes and updates are made on a regular basis. In addition to updating the formulary status of covered drugs, formulary restrictions are also modified as necessary. Here is an update of restrictions and limitations associated with the drug formulary:

- **Closed formulary:** We employ a closed formulary. If a drug is not listed on the drug formulary, the product is not covered by the member's pharmacy benefit. If the member chooses a product not on the formulary, the member is responsible for 100 percent of the cost of the drug.
- **Mandatory Generic Substitution:** If a drug is available in a generic version, we may require the use of the generic version. If the generic version of the drug is mandated and the patient chooses to receive the brand, the patient is responsible for the highest-tier-branded copay plus the ingredient cost difference between the brand and generic versions. If the patient's physician requests the branded version, the patient is only responsible for the highest-tier-branded copay.
- **Prior Authorization:** When a drug is prior authorized, the physician must receive approval prior to prescribing the drug. The list of prior authorized drugs and the request forms are available on prevea360.com.
- **Step Therapy:** Step edits are often used within a therapeutic class to require generic or preferred drug use prior to a non-preferred drug. When a step edit is in place, the patient must have trialed therapy with a preferred drug prior to receiving approval for the non-preferred drugs. Step edits are completed point-of-service at the pharmacy, and there are no prior authorization requirements.
- **Specialist Restrictions:** Specialist restrictions limit the prescribing of a drug to a unique specialty. These decisions are based on the indications and uses for the specific drug.
- **Quantity Level Limits:** Quantity level limits restrict the supply of drug product that may be dispensed either per prescription or per a specific amount of time.
- **Specialty Pharmacy:** If a drug is available or mandated to be dispensed by a specialty pharmacy, the specialty pharmacy designation will be applied.

A complete listing of all pharmacy resources, including the drug formulary, can be found at prevea360.com.